

EVIDENCE OF THE LOAN PROVIDES. IF THE INTEREST IS PRECOMPUTED, IT MAY BE CALCULATED ON THE ASSUMPTION THAT ALL SCHEDULED PAYMENTS WILL BE MADE WHEN DUE.

(2) FOR PURPOSES OF THIS SECTION, A YEAR MAY BE ANY PERIOD OF FROM 360 TO 366 DAYS, INCLUDING OR DISREGARDING THE EFFECT OF LEAP YEAR, AS THE BANK CREDIT GRANTOR MAY DETERMINE.

(C) (1) IF AN INSTALLMENT LOAN UNDER THIS SUBTITLE MADE TO A CONSUMER BORROWER IS SECURED BY COLLATERAL OTHER THAN A LIEN ON RESIDENTIAL REAL PROPERTY, THE CREDIT GRANTOR MAY NOT REQUIRE A SCHEDULE OF REPAYMENT UNDER WHICH A CONSUMER BORROWER MAY BE REQUIRED TO PAY A BALLOON PAYMENT AT MATURITY.

(2) IF AN INSTALLMENT LOAN UNDER THIS SUBTITLE MADE TO A CONSUMER BORROWER IS SECURED BY A SECONDARY LIEN ON RESIDENTIAL REAL PROPERTY, THE CREDIT GRANTOR MAY REQUIRE A SCHEDULE OF REPAYMENT PROVIDING FOR A BALLOON PAYMENT AT MATURITY. ON REQUEST, THE CONSUMER BORROWER IS PERMITTED TO POSTPONE PAYMENT OF THE BALLOON PAYMENT ONCE FOR A PERIOD NOT TO EXCEED 6 MONTHS. THE BORROWER MUST CONTINUE TO MAKE INSTALLMENT PAYMENTS IN THE AMOUNT REQUIRED PRIOR TO MATURITY DURING THE EXTENSION PERIOD. THE CREDIT GRANTOR MAY NOT IMPOSE ANY CHARGES OR FEES AS A RESULT OF ALLOWING AN EXTENSION PERIOD.

12-1004.

(A) IF THE AGREEMENT, NOTE, OR OTHER EVIDENCE OF THE LOAN PERMITS, THE PERIODIC PERCENTAGE RATE OF INTEREST CHARGED AND COLLECTED ON THE LOAN MAY, IF THE INTEREST IS NOT PRECOMPUTED, VARY IN ACCORDANCE WITH A--SCHEDULE--OR--FORMULA--OR--AT--THE DISCRETION-OF-THE-BANK CREDIT--GRANTOR AN INDEX THAT IS MADE READILY AVAILABLE TO AND VERIFIABLE BY THE BORROWER AND IS BEYOND THE CONTROL OF THE CREDIT GRANTOR. THE PERIODIC PERCENTAGE RATE MAY VARY AS THE RATE DETERMINED IN ACCORDANCE WITH--THE--SCHEDULE OR FORMULA VARIES OR AT THE DISCRETION OF THE BANK.

(B) THE PERIODIC PERCENTAGE RATE, AS VARIED, MAY BE MADE APPLICABLE TO ANY OUTSTANDING INDEBTEDNESS ON THE LOAN ON AND AFTER THE EFFECTIVE DATE OF THE VARIATION.

(C) THIS SECTION DOES NOT LIMIT THE AUTHORITY OF A BANK CREDIT GRANTOR TO CHARGE AND COLLECT INTEREST ON A LOAN IN THE MANNER AND AT THE RATE AUTHORIZED IN ANY OTHER SECTION OF THIS SUBTITLE.

(D) THE PERIODIC PERCENTAGE RATE, AS VARIED, MAY NOT EXCEED THE MAXIMUM RATE PERMITTED PURSUANT TO SUBSECTION 12-1003(A).

12-1005.

IN ADDITION TO INTEREST AT A PERIODIC PERCENTAGE RATE OR RATES PERMITTED BY SECTIONS 12-1003 AND 12-1004 OF THIS SUBTITLE, A BANK CREDIT GRANTOR MAY CHARGE AND COLLECT: